IN THE PUNJAB AND HARYANA HIGH COURT AT CHANDIGARH

S.A.O. No.26 of 2003 (O&M)
Date of Decision : 01.11.2007

M/s Steel Strips Limited

.....Appellant

Versus

M/s O.P. Steel Traders & Ors.

.....Respondents

CORAM : HON'BLE MR. JUSTICE VINOD K. SHARMA

Present : Mr. Akshay Bhan, Advocate and
Mr. Santosh Kumar, advocate
for the appellant.

Mr. A.P. Jain, Advocate
for the respondents.

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VINOD K. SHARMA, J. (ORAL)

This second appeal against the order has been filed against the order dated 18.10.2002 passed by the learned District Judge, Chandigarh. While affirming the finding of learned trial Court on issue No.5 the learned District Judge, Chandigarh has been pleased to order the return of plaint to the plaintiff for presentation before the competent Court.

The plaintiff appellant filed a suit for recovery of Rs. 8,22,939/- (Rupees eight lac twenty two thousand nine hundred and thirty nine only) by way of damages suffered by the plaintiff along with interest from the date of loss suffered till the date of realization.

The suit was contested and one of the pleas raised in the written statement was that the Courts at Chandigarh did not have the territorial jurisdiction to entertain and try the present suit. This plea was raised on the ground that no cause of action has taken place at Chandigarh so as to give territorial jurisdiction to the Courts at Chandigarh.

On the pleadings of the parties, issue No.5 was framed as under :-

> "Whether the Civil Court at Chandigarh has got the jurisdiction to entertain and try the suit ? OPP"

The only plea raised before the learned trial Court by the appellant plaintiff was that as the head office of the plaintiff was at Chandigarh, therefore, the Courts at Chandigarh had the jurisdiction to entertain and try the present suit. This plea of the plaintiff was rightly not accepted by the learned trial Court and consequently, issue No.5 was decided against the plaintiff appellant and in favour of the defendants. The learned trial Court had recorded a finding on other issues also. However, they lose importance in view of the finding recorded on issue No.5 that the Courts at Chandigarh have no territorial jurisdiction to entertain and try the suit.

The learned trial Court dismissed the suit but did not order the return of the plaint in view of the finding recorded on other issues. The learned lower appellate Court agreed with the findings of the learned trial Court on issue No.5 and on appreciation of evidence came to the conclusion that no cause of action has arisen to the appellant plaintiff at Chandigarh and, therefore, Chandigarh Courts have no territorial jurisdiction to entertain and try the suit. The learned lower appellate Court was pleased to return the plaint to plaintiff for presentation before the learned competent Court of territorial jurisdiction.

The learned lower appellate Court further also pleased to set aside the decree passed by the learned trial Court.

The learned counsel for the appellant contends that the Courts below were in error in deciding issue No.5 against the appellant. The plea of the learned counsel for the appellant was that as the head office of the plaintiff appellant was situated at Chandigarh and, therefore, in view of Section 20 (c) of the C.P.C. the Chandigarh Courts had the territorial jurisdiction to entertain and try the suit. The contention of the learned counsel for the appellant was that Section 20 talks on cause of action as wholly or in part. However, this contention of the learned counsel for the appellant cannot be accepted as both the Courts below have held that no part of cause of action accrued to the plaintiff appellant at Chandigarh. Merely because head office of the plaintiff appellant is at Chandigarh would not lead to a conclusion that part of cause of action had accrued to the parties at Chandigarh so as to confer territorial jurisdiction to the Court at Chandigarh.

The order passed by the learned lower appellate Court being in consonance with law and provisions of the Civil Procedure Code does not call for any interference by this Court in this appeal.

Dismissed.

01.11.2007 **(VINOD K. SHARMA)**
'sp' **JUDGE**